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THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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November 1, 1925.

WINTER PROSPECT

The crops are gathered now, for the most part, and the country is getting ready for winter. Interest now focuses on the markets rather than on the fields. Movement to market of major food crops and of cotton has been early and heavy, a development in line with the general situation of well balanced production and moderate carry-overs. In fact, the community is going along on rather light storage stocks of most staples.

The market is more of a domestic picture than it has been for some years. Our export trade during September in pork products, for example, was about half that of the same month during the previous five years, while wheat was roughly a third. This is a year when the country would probably import some potatoes, were supplies available. In previous years when the potato crop has been relatively as short as at present, the market has been a rising one from fall to spring. Our potato producers who are fortunate enough to have a crop are due for their inning this winter.

The old recipe for an all-round favorable combination on the production end was to have food crops and fibers selling well while animal products sold at a reasonable spread above feed crops. That is not far from the situation this fall. Prices of wheat, potatoes, and various lesser foodstuffs are at a stimulating, if not a satisfactory level. The same has been true of cotton, though its price has sagged discouragingly in the last month. Hogs and sheep are selling to a moderately strong market while prices of both beef and dairy cattle have tended upward this fall.

Recent declines in corn prices are discouraging to producers who depend mainly upon feed grains for their income. The average October 15 farm price was only 83 cents a bushel, compared with 99 cents in September and well over \$1 in October a year ago.

Notwithstanding that its productive house is in good order, however, agriculture still meets a stone wall of resistance in the broad field of exchange relations. Industrial wages, prices, and charges stay at relatively high levels. The general index of purchasing power of farm products in terms of non-agricultural commodities lapsed 5 points back to 88 in September. Such disparity would have represented calamity back in pre-war times. It represents trouble even yet.

KEY REGIONS AT A GLANCE

THE EAST - Winding up potato digging, corn husking, apple picking, threshing. All fall harvest work delayed by rains. Potato yields poor but prices strong. Apples variable. Dairy situation shows signs of some improvement; cows selling higher. On whole, financial conditions probably rather better than last fall.

THE SOUTH - Harvest of tobacco, corn, sweet potatoes practically finished. Cotton picking well along; some damage by rain. Ginning has progressed rapidly this fall. Truck crops being planted. Some truck and winter grain already growing well. General sentiment good except in Piedmont and western areas where drought ruined crops.

CORN BELT - Greatly hindered by cold weather and rains last month. Corn husking delayed. Planting of winter wheat also seriously interfered with - some intended acreage abandoned. Winter grains looking good where already planted. Hog producers optimistic as a rule. Some cattle feeders find price margins too narrow for extensive feeding. General tone of region apparently improved over last fall.

WHEAT BELT - Winter wheat planted and stands look good as a rule through Kansas and Nebraska. Spring wheat threshing practically finished; crop movement heavy a month ago but slackened now. Potatoes and incidental crops bring more money than last year. Region moderately optimistic except in areas where crop failed.

RANGE COUNTRY - Range has been open for most part and in excellent shape all fall. Stock on winter ranges now. Shipments of sheep diminished but cattle movement continued heavy. Sheepmen closing another prosperous year. Cattle raisers heartened by price advances of this year and there is some restocking. However, there are still many cattlemen in difficulties.

PACIFIC COAST - Considerable cool weather the past month and too dry. Some winter wheat land in north going over for spring seeding. Fruit crops excellent. Extremely heavy shipment of grapes in California. Prune and raisin harvest over. Navel orange crop will begin to move this month. General conditions fairly good.

THE TREND OF CROP PRODUCTION

	1913 Production	Production 5-Year Av. 1920 1924	1924 Production	1925 September 1 Forecast	1925 Production October 1 Forecast
	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Winter wheat, bu.	523	592	590	416	416
Spring wheat, bu.	240	245	283	284	282
All wheat, bu.	763	837	873	700	697
Corn, bu.	2,447	2,935	2,437	2,885	2,918
Oats, bu.	1,122	1,328	1,542	1,462	1,470
Flaxseed, bu.	18	15.3	30.2	23	23.2
Cotton, bales	14.1	10.9	13.6	13.93	15.23*
Rice, bu.	25.7	39.8	34.0	35.3	35.8
Potatoes, white, bu.	332	418	455	344	344
Sweet potatoes, bu.	59	96.2	71.9	75.6	74.3
Tobacco, lbs.	954	1,331	1,241	1,247	1,229
Hay, all, tons	64	107	112	93.6	98.1
Apples, total, bu.	145	181	179	162	164
Apples, commercial, bbls.	---	30.4	28.6	30.4	30.1
Peaches, total, bu.	40	46.5	53.1	47.7	47.7

General crop prospect improved about 3 per cent during September. Composite yield per acre of all crops about 3.9 per cent below 10-year average.

*Forecast as of October 18.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

October 15, 1925.

Actual prices received by producers at local farm markets as reported to the Division of Crop and Livestock Estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-yr. Av. Aug. 1909- July, 1914	Oct. Av. Aug. 1909- July, 1914	Oct. 1924	Sept. 1925	Oct. 1925
Cotton, per lb.	\$ 12.4	12.1	23.1	22.5	21.5
Corn, per bu.	\$ 64.2	64.8	108.9	98.8	83.0
Wheat, per bu.	\$ 88.4	88.1	129.7	144.4	136.4
Hay, per ton	\$ 11.87	11.49	12.64	12.42	12.47
Potatoes, per bu.	\$ 69.7	65.0	68.8	121.1	125.6
Oats, per bu.	\$ 39.9	38.4	48.9	38.1	37.2
Beef cattle, per 100 lbs.	\$ 5.22	5.09	5.52	6.27	6.31
Hogs, per 100 lbs.	\$ 7.23	7.37	9.45	11.50	11.16
Eggs, per dozen	\$ 21.5	23.8	38.2	31.1	37.7
Butter, per lb.	\$ 25.5	26.1	38.8	41.1	44.2
Butterfat, per lb.	\$ ----	----	36.6	42.6	47.1
Wool, per lb.	\$ 17.7	16.9	37.3	37.8	37.2
Veal calves, per 100 lbs.	\$ 6.75	6.80	8.22	9.07	9.52
Lambs, per 100 lbs.	\$ 5.91	5.35	10.35	11.95	12.04
Horses	\$142.00	140.00	77.00	76.86	76.42

Farm prices of cotton, corn, wheat, and oats continued downward from September 15 to October 15. Hay remained about the same while potato prices advanced. Beef cattle, lambs, and veal calves made small price gains. Butter, butterfat and eggs showed sharp seasonal increases. The market price of hogs advanced to higher levels during late September and early October but by the 15th of October both farm and market prices were lower than on September 15. Higher prices drew heavier receipts than a year ago at seven markets for three weekly periods. Stocker pigs are selling at a premium this fall while last fall they were at a sharp discount.

The farm prices of feed grains and textile fibers continued lower, while farm products which go largely for human food continue higher than during the fall of 1924. Corn and oat prices were each 24 per cent lower than on October 15, 1924. Cotton was 7 per cent lower. The prices of beef cattle, hogs, veal calves, and lambs were all about 16 per cent higher than a year ago. Eggs continued slightly under last year. The farm price of wheat was only 5 per cent above a year ago on October 15 as compared with 26 per cent on September 15. Potato prices were 82 per cent higher than a year ago as compared with 50 per cent higher on September 15. Last fall the farm price of butter was higher than butterfat, while this fall their positions are reversed with butterfat 29 per cent, and butter 14 per cent higher than October 15, 1924.

PRICE INDEXES FOR SEPTEMBER AND OCTOBER, 1925.

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number.) Shows year ago, and latest available month:

Farm Products

(Prices at the farm, Aug. 1909 - July 1914 = 100.)

	<u>Oct.</u> <u>1924</u>	<u>Sept.</u> <u>1925</u>	<u>Oct.</u> <u>1925</u>	<u>Month</u> <u>Trend</u>
Cotton	186	181	173	Lower
Corn	170	154	129	Lower
Wheat	147	163	154	Lower
Hay	106	105	105	Unchanged
Potatoes	99	174	180	Higher
Beef cattle	106	121	121	Unchanged
Hogs	131	159	154	Lower
Eggs	178	145	175	Higher
Butter	152	161	173	Higher
Wool	210	212	209	Lower

Commodity Groups

(Wholesale Prices; 1910-1914 = 100.) 1/

	<u>Sept.</u> <u>1924</u>	<u>Aug.</u> <u>1925</u>	<u>Sept.</u> <u>1925</u>	<u>Month</u> <u>Trend</u>
Farm products	143	163	160	Lower
Food, etc.	147	158	159	Higher
Cloths & clothing	190	193	193	Unchanged
Fuel & lighting	195	197	196	Lower
Metal & met. products	137	136	136	Unchanged
Bldg. materials	176	178	179	Higher
Chemicals, etc.	129	133	134	Higher
House-furnishing goods	177	175	173	Lower
<u>ALL COMMODITIES</u>	<u>154</u>	<u>163</u>	<u>163</u>	<u>Unchanged</u>

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

RELATIVE PURCHASING POWER

(At September 1925 Farm Prices)

Aug. 1909 - July, 1914 = 100

<u>In terms of:</u>	<u>Of a Unit of:</u>				
	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	112	95	100	64	107
Cloths, etc.	94	80	85	54	90
Fuel, etc.	92	78	83	53	88
Metals, etc.	133	113	120	77	127
Bldg. Materials	101	86	91	58	97
House-furnishing goods	105	89	94	60	100

	<u>Beef Cattle</u>	<u>Hogs</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	74	98	89	99	131
Cloths, etc.	62	82	75	84	110
Fuel, etc.	61	81	74	82	108
Metals, etc.	88	117	106	118	156
Bldg. materials	67	89	81	90	118
House-furnishing goods	70	92	83	93	123

The sharp drop of 8 points in the index of farm prices from August 15 to September 15 was accompanied by a drop of only 1 point in the wholesale prices of non-agricultural goods; as a result the relative exchange value of farm products dropped from 93 in August to 88 in September, the lowest point reached since last February. With 143 as the October index of farm prices it is not likely that the prices of other commodities will change sufficiently to cause any increase in the relative exchange value index for October.

The relative purchasing power of a pound of wool was higher than for any other of the above important farm products in September. That is a pound of wool will buy 31 per cent more of all commodities at wholesale than in the pre-war years of 1909-1914. Potatoes and cotton were the only other farm products with an exchange value greater than pre-war. Butter, hogs, and wheat were about on a par, while beef cattle stood at 74 per cent of pre-war and hay as low as 64 per cent.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1924 <u>Sept.</u>	1925 <u>Aug.</u>	1925 <u>Sept.</u>	Month's <u>Trend</u>
PRODUCTION				
Pig iron daily (Thou. tons)	68	87	91	Increase
Bituminous coal (Millions tons)	42	45	47	Increase
CONSUMPTION				
Cotton by mills (Thou. bales)	438	449	483	Increase
Unfilled orders Steel Corp. (Thou. T.)	3,474	3,513	3,717	Increase
Building contracts (Millions dollars)	298	521	463	Decrease
Hogs slaughtered (Thousands)	1,959	1,586	1,645	Increase
Cattle "	1,312	1,281	1,227	Decrease
Sheep "	1,097	998	981	Decrease
MOVEMENTS				
Bank clearings (N.Y.) (Billions dollars)	19	20	22	Increase
Car loadings (Thousands)	4,148	5,364	4,297	Decrease
Mail order sales (Millions dollars)	31	29	35	Increase
Men employed, N. Y. State Factories (Thou.)	489	487	500	Increase
Av. price 25 indus. stocks (Dollars)	117	158	163	Increase
Interest rate (4-6 mo. paper, N. Y.)	3.13	4.00	4.19	Increase
Retail Food Price Index (Dept. Labor)*	147	160	159	Lower
Wholesale Price Index (Dept. Labor)*	148	159	160	Higher

General business conditions remain good, if one is to judge by current indicators and by the judgment of business leaders. Employment is fairly full, the level of industrial wages stays high, interest rates are still easy. The stock market has lately staged a burst of tremendous activity. Such manifestations as this and the boom in Florida are usually considered to be the product of highly prosperous times. True, the anthracite coal strike is on and there are occasional rumblings from other key industries. But, for the present, things continue on a plane of great prosperity.

Agriculture finds itself more or less up against a hard wall of industrial costs. Although it is selling to a good market this fall, it is also forced to buy in a high market.

GENERAL TREND OF WAGES AND PRICES

1910-1914 =100

Year and Month	General Wage Level	Farm Wages 2/	Retail Price of Food 1/	Wholesale Price of Food 1/	Wholesale Price All Commodities
N.Y. factory workers					Bureau of Labor Statistics
1910	---	97	96	100	103
1911	---	97	95	96	95
1912	---	101	101	103	101
1913	---	104	103	99	102
1914 (June)	100	101	106	101	100
1915	101	102	104	104	103
1916	114	112	117	120	129
1917	129	140	151	166	180
1918	160	176	174	187	198
1919	185	206	192	205	210
1920	222	239	210	218	230
1921	203	150	158	143	150
1922	197	146	146	137	152
1923	214	166	151	143	156
1924	218	166	150	143	152
1924					
January	219	159	154	142	154
February	218	---	152	142	154
March	222	---	148	140	153
April	218	163	146	136	151
May	217	---	145	136	150
June	214	---	147	135	147
July	213	168	148	138	150
August	216	---	149	143	152
September	221	---	151	147	152
October	217	171	153	151	155
November	218	---	155	153	155
December	222	---	156	157	160
1925					
January	223	156	159	159	163
February	220	---	156	156	164
March	224	---	156	158	164
April	218	163	155	153	159
May	221	---	156	152	158
June	220	---	160	154	160
July	220	169	165	156	163
August	222	---	165	158	163
September	22	---	164	159	163

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

2/ Index based on both monthly and daily wages.

NEW INDEX OF GENERAL TREND OF PRICES
On Five-Year Base, August, 1909 - July, 1914 = 100

Year and Month	Index numbers of farm prices							Wholesale Prices of Non-Agri- cultural Commodi- ties 1/	Relative purchasing power of Farmer's Product 2/
	Grains	Fruits and Vegetables	Meat Ani- mals	Dairy & Poultry Products	Cotton and Cotton- seed	Unclas- sified	All Groups 30 Items		
1910	104	91	103	101	113	102	103	102	101
1911	96	106	87	95	101	103	95	96	99
1912	106	110	95	103	87	106	99	100	99
1913	92	92	108	100	97	94	100	105	95
1914	103	100	112	101	85	95	102	97	105
1915	120	83	104	99	78	95	100	101	99
1916	126	123	120	106	119	100	117	138	85
1917	217	202	173	133	187	130	176	182	97
1918	226	162	202	160	245	157	200	188	107
1919	231	189	206	182	247	162	209	199	105
1920	231	249	173	197	248	152	205	241	85
1921	112	148	108	151	101	90	116	167	69
1922	105	152	113	135	156	94	124	168	74
1923	114	136	106	147	216	109	135	171	79
1924	129	124	109	137	211	100	134	162	83
1924									
Sept.	140	113	115	133	175	100	132	158	83
Oct.	150	109	121	142	182	102	138	158	87
Nov.	147	108	115	150	179	106	137	160	86
Dec.	155	110	113	158	176	102	139	163	85
1925									
Jan.	172	122	123	154	182	94	146	165	88
Feb.	178	131	126	142	183	96	146	167	88
Mar.	172	138	145	134	195	94	151	165	91
Apr.	152	146	146	131	189	94	147	162	90
May	159	162	139	132	184	87	146	161	90
June3/	164	184	139	132	183	86	148	163	91
July3/	152	178	148	134	186	88	149	164	91
Aug.	157	178	149	139	186	96	152	164	93
Sept.	148	142	143	141	178	90	144	163	88
Oct.	135	152	141	154	171	90	143	---	--

1/ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910-1914 = 100. 2/ The value of a unit of the farmer's product in exchange for non-agricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by index of wholesale prices of non-agricultural products. 3/ Indexes for unclassified and total groups revised for June and July. Index of purchasing power revised from 90 to 91 in June.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1920 Total	332,314	210,332	42,121	22,197	23,538	406,290
1921 "	435,606	340,908	41,101	19,787	24,168	472,011
1922 "	413,106	378,598	44,068	23,218	22,364	530,601
1923 "	386,430	271,858	55,330	23,211	22,025	549,207
1924 "	482,007	278,719	55,414	23,695	22,201	591,439
1920 Sept.	43,808	20,049	2,391	2,294	2,895	36,379
1921 "	38,950	36,561	2,655	1,906	2,618	42,344
1922 "	31,839	35,296	3,062	2,397	2,303	38,782
1923 "	44,196	18,355	3,607	2,295	2,659	41,907
1924 "	81,183	22,084	3,216	2,566	3,027	47,760
1925 Jan.	23,247	35,820	6,105	1,869	1,467	38,118
" Feb.	18,493	20,833	4,558	1,530	1,388	35,421
" Mar.	16,925	23,868	3,528	1,860	1,504	41,027
" Apr.	10,023	9,810	3,247	1,827	1,541	42,559
" May	17,896	11,935	3,283	1,737	1,689	57,276
" June	20,465	17,381	3,507	1,746	1,603	74,597
" July	37,919	9,662	2,798	1,970	1,699	70,395
" Aug.	41,928	17,488	2,549	2,245	2,064	57,996
" Sept.	57,756	12,889	2,741	2,157	2,627	45,310

September showed one of the heaviest month movements of wheat during last six years. Corn movement light.

Fewer hogs and cattle went to market in September than during same month in three years.

Butter movement about like recent years.

THE TREND OF EXPORT MOVEMENT

Compiled from Department of Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT	BACON**		LARD	TOTAL* MEATS	COTTON# running bales
	including flour	TOBACCO (Leaf)	HAMS AND SHOULDERS			
	1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1920 Total	307,630	467,662	821,922	612,250	1,043,500	6,111
1921 "	355,661	515,353	647,680	868,942	786,280	6,385
1922 "	232,302	430,908	631,452	766,950	733,832	6,015
1923 "	171,928	474,500	828,890	1,035,382	958,472	5,224
1924 "	238,256	546,555	637,980	944,095	729,832	6,653
1920 Sept.	34,994	37,261	50,369	46,326	58,181	227
1921 "	38,950	33,009	61,856	104,741	70,107	513
1922 "	31,839	33,102	51,040	61,120	60,863	365
1923 "	22,465	37,646	76,911	83,630	88,833	686
1924 "	39,244	37,245	43,117	65,810	50,088	734
1925 January	12,928	35,446	56,169	78,440	65,705	1,052
" February	11,612	23,806	48,041	60,363	55,438	792
" March	16,202	32,475	53,853	63,281	62,016	708
" April	12,721	30,850	33,413	44,447	39,303	440
" May	12,976	22,415	33,475	71,135	38,977	314
" June	10,758	27,460	39,690	59,799	45,398	211
" July	8,789	39,037	35,472	49,414	40,990	198
" August	11,832	34,890	31,770	45,740	38,251	313
" September	12,992	50,694	32,900	60,646	40,230	750

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

Excludes linters.

** Includes Cumberland and Wiltshire sides.

COLD STORAGE SITUATION

October 1 holdings (Shows nearest million, six figures omitted):

<u>Commodity</u>	<u>5-Year Average</u>	<u>Year Ago</u>	<u>Month Ago</u>	<u>October 1, 1935.</u>
Creamery butter, lbs.	110	153	128	114
American cheese, lbs.	57	73	77	79
Case eggs, cases	7,127*	7,409*	9,873*	8,606*
Total poultry, lbs.	30	40	48	45
Total beef, lbs.	57	48	45	41
Total pork, lbs.	550	565	584	467
Lard, lbs.	85	84	115	71
Lamb & mutton, lbs.	7.8	2.5	1.3	1.1
Total meats, lbs.	675	672	695	562

Began to draw rather heavily on stored stocks of pork and lard during September. Likewise butter.

Egg stocks also declined somewhat as did poultry, beef and lamb.

Of the above list of products only cheese increased in stored stocks during September.

Storage stocks above average in case of butter, cheese, eggs, and poultry. Below average in case of beef, pork, lard, lamb.

*Thousands, or three figures, omitted.

Division of Dairy and Poultry Products, B. A. E.

Interest in dairy markets still centers in the relatively high prices prevailing on practically all products, and the fact that, even at the high prices which have continued to rule, confidence of the trade is generally retained. Butter prices exceed those of 1924 by a wider margin than a month ago, and while there are occasional reports here and there that consumptive demand is falling off, there seems to be no conclusive evidence in the actual statistics which are available, of a marked reduction. Butter markets began experiencing a somewhat unsettled feeling the last week in the month (October), but up to the time of this writing this was explained as being partly due to a slight increase in receipts at principal wholesale markets, together with the feeling of concern regarding demand which always persists when prices are at a high level. September butter prices were around 10 cents above those of 1924, but this difference increased another 2 or 3 cents in October, with wholesale prices at New York being down to 50 cents only once during the month until the above mentioned uneasiness developed.

Production conditions are said to be fairly favorable in some of the producing districts, and with prices at a point which should stimulate production, it would appear that a fairly heavy fall production will occur. Opinions regarding this differ, however, and such a conclusion is by no means universal. Although not so much higher in comparison with 1924 as butter, prices on other dairy products are well above those of last year. Advances occurred on October 1 in many sections supplying city milk trade, so that all around the price situation is more favorable to the producer. Condensery production is showing a definite downward tendency, despite the fact that supplies are not particularly burdensome, but this can not be taken as an index of the general production trend, since condensery production may be more readily adjusted to current demand, and further because high butter prices have offered an attractive outlet for condensery milk where surpluses may have existed.

At this time of the year, the storage situation is not without interest. On October 1 stocks of creamery butter in the United States were reported to be 114,167,000 pounds, as compared with 128,449,000 pounds on September 1, meaning that in addition to current production, storage stocks were drawn upon at a rate averaging close to half a million pounds daily. Approximately the same daily rate of movement as in September has been kept up in the four large wholesale markets since October 1, so that by November 1 the reserve in storage will likely be in the neighborhood of a hundred million pounds. In such a case, the shortage under November 1, 1924, will approximate 35,000,000 pounds. The October 1 shortage was 39,000,000 pounds. In considering comparisons with last year, however, it must be remembered that 1924 holdings of butter were excessive. Cheese stocks the first of October of 97,799,000 pounds represented an increase over October 1, 1924, of 7 per cent, which in view of the healthy tone of cheese markets appears none too adequate for later requirements.

Foreign markets have taken some turns recently which may make domestic prices begin to appear attractive to foreign producers. The last Copenhagen quotation issued at this time (for October 22) was 408 kroner, equivalent at prevailing exchange to 45.73 cents. While the 8 cents tariff still appears effective, it is a fact that both Australia and New Zealand are entering their flush production season, so that further spreads between domestic and foreign prices will increase the probability of imports. The whole foreign situation is such as to make it obvious that domestic outlets must be largely depended upon to absorb domestic production.

DAIRY SITUATION

(Thousands i.e., 000 omitted)

Stocks on hand - October 1 - United States

In Cold Storage

In Manufacturers' Hands

	Butter	Cheese*	Cond. & Evap. Milk	Powdered Milk(2)
1925	114,167	97,799	206,416	8,635
1924	153,494	91,282	202,977	14,221
Change	- 39,327	+ 6,517	+ 3,439	- 5,586
Per cent change	- 25.6	+ 7.1	+ 1.7	- 39.3
5 year average	+ 3.8	+ 32.0	---	---

* All Types. (2) Includes Skim Milk, and Cream Powder.

RECEIPTS OF BUTTER AND CHEESE

Butter at 4 Principal Markets* Am. Cheese at Wis. Warehouses

	September	Jan.-Sept. Inc.	September	Jan.-Sept. Inc.
1925	43,276	440,495	26,555	226,435
1924	45,808	464,532	26,152	219,587
Change	- 2,532	- 24,037	+ 403	+ 6,848
Per cent change	- 5.5	- 5.2	+ 1.5	+ 3.1

*New York, Chicago, Philadelphia and Boston

NET IMPORTS AND EXPORTS - SEPTEMBER

	Butter	Cheese	Cond. and Evap. Milk	Powdered Milk(1)
1925 - September	49 Ex.	5,146 Im.	15,683 Ex.	610 Im.
1924 - September	683 Ex.	5,510 Im.	19,772 Ex.	235 Ex.
Jan.-Sept. 1925	1,728 Im.	34,312 Im.	115,217 Ex.	1,280 Im.
Jan.-Sept. 1924	13,860 Im.	37,447 Im.	152,455 Ex.	1,525 Ex.

(1) Includes Skim Powder.

BUTTER SUMMARY FOR JANUARY - September INC.

	1925	1924	Change in 1925	% of Change
In cold storage Jan. 1.	65,657	30,299	+ 35,358	+ 116.7
Production:				
Creamery (Est.) 9 mo.	1,029,740	1,095,298	- 65,558	- 6.0
Farm (Est.) 9 mo.	472,590	479,460	- 6,870	- 1.4
Net imports (Jan.-Sept.)	1,728	13,860	- 12,132	- 87.5
TOTAL	1,569,715	1,618,917	- 49,202	---
In Cold Storage October 1	114,167	153,494	- 39,327	- 25.6
Apparent consumption				
during Jan.-Sept (9 mo.)	1,455,548	1,465,423	- 9,875	- 0.7
App. consumption - Sept.	172,328	167,540	+ 4,788	+ 2.8

THE POULTRY AND EGG SITUATION

Division of Dairy and Poultry Products, B. A. E.

The month of October opened with a surplus of shell eggs in cold storage about 16 per cent greater than in 1924, an increase over the surplus on September 1 of more than 1 million cases. During the first three weeks of October the movement of eggs out of storage both in the four markets and in the six markets has improved, being slightly greater than for the same period last year. The reduction in surplus in these markets has been so slight, however, as to be practically negligible and appears to indicate that prices on storage eggs will have to be held at a relatively low level in order to secure a satisfactory clearance of stocks in the next two or three months. During the same period the receipts at the four markets have been practically the same as in 1924.

Following the sharp advance in fresh egg prices during the latter part of September, the markets opened the month in an easier position with demand somewhat checked by the higher prices. Slight price declines resulted both on refrigerator eggs and on most grades of fresh, but as the month advanced the market became firmer on fresh eggs in expectation of lighter receipts, and the losses in price experienced earlier in the month were regained. Fresh eggs of the finest quality have continued rather scarce and have been firmer with prices advancing steadily.

Generally speaking, the dressed poultry market is in good condition, particularly on fancy stock. Cold storage stocks continued to work out quite satisfactorily and receipts of fresh killed, while fairly liberal during the first three weeks of October, were lighter than last year. While storage stocks in both the four and in the six markets have begun to show an increase, this has taken place much more slowly than in 1924, and total holdings in these markets have now worked below those of a year ago.

Broiler receipts are decreasing and prices firmer while fryers are moving freely into consumption and are also firmer. The receipts of roasters have been quite heavy and in spite of a good demand have resulted in a slight price decline. The quality of late arrivals is not running quite so good, possibly due to short feeding, which has resulted in a relatively firmer position for the fancier grades.

The bulk of the rema'ning stocks of frozen poultry is not of top quality, and this has helped maintain prices on what fancy supplies still remain. Frozen turkeys are partic larly firm in expectation of a short crop. Frozen fryers, because of - good demand on fresh, are also firm. Frozen roasters are still in good supply and easier, possibly a reflection of the quantity still available and of the more liberal offerings of fresh.

While receipts of live poultry have not been excessive for this time of year, trading generally has not been active and the market has been irregular. The cooler weather, however, is tending to stimulate trade somewhat. Quality for the most part is not very good and this has resulted in fancy stocks being firmly held and in good position. Stock that is not fancy is in the buyers' favor with concessions often offered to move it. Live turkeys are in light supply and have shown advances under good demand.

POULTRY AND EGG SITUATION.
(Thousands, i.e. 000 omitted)
Stocks in Storage - October 1 - United States

	Shell eggs (Cases)	Frozen eggs (Pounds)	Dressed poultry (Pounds)
1925	8,606	44,385	44,347
1924	7,409	31,006	40,070
Change	+ 1,197	+ 13,379	+ 4,277
Per cent	+ 16.2	+ 43.1	+ 10.7
% change from 5-yr. av.	+ 20.8	+ 39.9	+ 50.1

Imports and Exports of Poultry and Eggs - January 1, to September 30. 1925.

	Imports	1925	1924	Exports	1925	1924
Shell eggs (dozens)		487	267)		18,836	22,113
Whole eggs, dried (Lbs.)		675	616)			
Whole eggs, frozen (Lbs.)		7,084	1,820)			
Yolks, dried (Lbs.)		4,230	3,513)		206	478
Yolks, frozen (Lbs.)		3,859	2,227)			
Egg albumen, dried (Lbs.)		3,190	2,457)			
Egg albumen, frozen, prepared or preserved (lbs.)		2,346	651)			
Live poultry, (Lbs.)		449	370		577	614
Dressed poultry (Lbs.)		1,397	1,076	(1)	4,889	(1) 3,811
Poultry, canned or prepared (Lbs.)		277	327	(2)	--	54

(1) Includes game.

(2) Not separately stated.

Receipts and Apparent Trade Output at Four Markets - Eggs (Cases)

Receipts	Net storage Movement	SEPTEMBER		JAN. 1 - SEPT. 30		
		App. trade Output	Receipts	Net storage Movement	App. trade Output	
1925	876	-432	1,308	13,174	+ 2,803	10,371
1924	826	-452	1,278	13,067	+ 2,049	11,018
Change	+ 50		+ 30	+ 107		- 647
Per cent	+ 6.1		+ 2.3	+ .8		- 5.9

Receipts and Apparent Trade Output at Four Markets - Dressed Poultry (Lbs.)

Receipts	Net storage Movement	September		JAN. 1 - Sept. 30		
		App. trade output	Receipts	Net storage Movement	App. trade output	
1925	18,683	- 3,079	21,762	162,818	- 60,243	223,061
1924	19,867	+ 3,882	15,985	191,237	- 34,894	226,131
Change	- 1,184		+ 5,777	- 28,419		- 3,070
Per cent	- 6.0		+ 36.1	- 14.9		- 1.4

THE SITUATION IN VARIOUS KEY STATES

(From Reports of State Statisticians of this Bureau)

CALIFORNIA - The present season now drawing to a close has been the most satisfactory in many respects that agriculture in California has experienced for some years. Rains in May destroyed thousands of tons of hay and reduced the quality of many more thousands of tons. The hay crop, however, is the largest ever produced and will furnish an ample supply of forage to the cattlemen and sheepmen. The harvest of raisins and prunes has been completed. The shipment of table and juice grapes is the largest on record up to the middle of October and is expected to exceed last year's movement by several thousand cars. For the thirty-day period ending October 14, the shipment of grapes amounted to 36,158 cars. Prices have maintained a fair level notwithstanding the enormous shipments the past 30 days. Canning statistics are not yet available, but all estimates point toward a substantial increase in the canned fruit pack when compared with the past two years.

Weather and climatic conditions were about seasonal over most areas during September. Rain has occurred in all sections of the State during early October, and the downpour in some localities was exceedingly heavy for so early in the season. So much humidity and the absence of high temperatures have retarded the development of cotton, rice and beans. Cotton picking is progressing slowly at this writing (October 15); the bean harvest is three to four weeks later than usual; and many of the late rice fields are not yet drained.

Some of the summer fallow land has been seeded but the sowing of grain will not become general until considerably more rain has fallen. Pastures, ranges, and livestock are generally in excellent condition. The movement of cattle and sheep to market is about normal. Feeder cattle are in demand at considerably higher prices than last year and are in much better condition.

The heavy rain was very beneficial to citrus groves, and both lemons and oranges promise a good crop. The 1924-25 valencia orange crop will all be picked and marketed by the time the new navel crop is ready for market early in November. -- E. E. Kaufman.

COLORADO - Quite general and heavy rains last week. Temperatures continued favorable to date. No frost except in high altitudes until about October 12. Beans, potatoes, and other late crops fully matured. Many beans threshed and marketed before recent rains. Rains delayed all farm operations - digging potatoes, beets, and threshing beans. High prices for potatoes very gratifying to growers. Most crops bringing higher prices than year ago. Total farm income greater, due mostly to much higher prices. Special crops and hay crop little below last year. Deficiency largely made up by better than usual forage crop. Ranges and livestock in good condition. Prices more favorable. Conditions improved for winter wheat and rye. General situation and feeling distinctly more satisfactory, though many individuals in crop failure localities are hard pressed. -- W. W. Putnam.

GEORGIA - General rains have been received over most of the State during the past few weeks, bringing to an end the severe drought which had prevailed over the northern half of the State. The recent rains were the first of any consequence since spring in many north-central and north-eastern counties, - establishing a record unequaled in the memory of our oldest correspondents. Late cowpeas, sorghum, etc., show some improvement and, with a late frost, will probably produce some hay in sections where almost a complete failure was in prospect a month ago. Pastures are also greening up and will afford quite a bit of late grazing. These benefits are particularly significant in the sections most seriously affected by the prolonged drought where farmers are facing a serious feed shortage. In those sections the rains have made it possible to carry out intentions to plant an unusually heavy acreage of oats, wheat, rye and vetch, to provide grazing and feed for early spring.

In considering the probable outturn of the major crops, we find fair to excellent prospects in the southern half of the State, contrasted with unusually poor prospects in most of northern Georgia. This is especially true of corn, hay and other feed crops that were more susceptible to drought damage in the Piedmont area.

Favorable weather for harvesting the cotton crop has prevailed throughout most of the State and the crop is practically all out of the fields, at this early date (October 19th). The State is producing a crop somewhat larger than that of last year on a greatly increased acreage.

Marketing of the largest tobacco crop ever produced in Georgia was completed the latter part of September. Yield per acre was satisfactory, but quality and price were considerably below last year.

Labor supply is sufficient for present needs, although movement of tenants from northern Georgia will probably mean reduction in cultivated acreage in that section next season. -- V. C. Childs.

WISCONSIN - The agricultural situation in Wisconsin is distinctly the best in many years. To many farmers it is probably as good as any of the war years because the returns are combined with a degree of thrift that was not practiced during the war years. Three things, basically, make up this favorable situation here in Wisconsin:

1. Yields of grain have been the best on record. Oats and barley have established the highest yields on record in the State. Corn promises to do the same thing. Hay turned out an average crop. With 90 per cent of the farm acreage in Wisconsin devoted to the production of feed crops, the bountifulness of this year's harvest is apparent.

2. Current prices for milk have been materially better than a year ago. They have averaged fully 24 cents a hundred more than last year since May. This represents a percentage improvement of fully 14 per cent. Hog prices have been high, and the spring pig crop was not much less than a year ago. The outlook for both dairy and hog prices is good, so that the ultimate market for the bountiful feed crops of this year is very satisfactory.

3. Cash crops although making up only one-fifth of the farm income, are bringing good returns. Yields of potatoes are not high but are above average which, together with prices of 90 cents to \$1.10 per bushel at time of digging, make the returns the best in many years. In the potato areas the sentiment is probably the best of any portion of the State. Tobacco made an extremely high yield of excellent quality, and the price outlook in view of this quality is very satisfactory. Canning peas made fair returns, and the minor crops of sugar beets, cabbage and cucumbers made big enough yields to make the returns of the crop good.

Rarely does there occur such a favorable combination of yields and prices in so many enterprises of Wisconsin agriculture. -- Paul O. Nyhus.

POTATOES IN STRONG POSITION

Potatoes have advanced rapidly in the potato markets this fall, and considerable buying for storage has been reported. The general situation seems to be the strongest in several years.

Production is only three bushels per head of population and only three-fourths of last season's crop, besides some recent further loss by rot and freezing. No unusual competition seems likely from other vegetables or from imported potatoes. There is good public buying power. The market season will be a long one because of the early, active start while the main crop sections were making up the 25 per cent shortage in shipments from the early potato region.

Three times in recent years, the production per capita has been about the same; in 1911, in 1919 and this year. Each of these short crop, high price years came after a year of big crops and low prices, and both 1911 and 1919 were followed by high yield and low price years, a fact which hints the need of caution in planning the potato acreage for next spring. About the only feature missing this year, as compared with 1919, is general price inflation. Potatoes rose only \$3 per 100 pounds that season from October to March, but all sorts of commodities were very high then. In this respect, this year stands about midway between 1919 and the other three-bushel year, 1911, when general prices ran about as usual for a pre-war year and potatoes gained about \$1.25 during the winter.

Prices at various country shipping points gained from 25 cents to over \$1 in six weeks, most of the rise having taken place in October. City markets gained about 75 cents in the same time. Potatoes are still from two to four times as high as a year ago. The large advances made already will tend, of course, to limit further gains. Much of the crop shortage is in the eastern and middle States in a region not far from the great markets, thus giving the eastern crop some advantage. Western potatoes have risen more slowly than eastern, but the whole production is likely to be wanted. Western stock will be prominent in many markets. Colorado and Idaho together have as many potatoes to sell as either of the great central potato States, Minnesota, Wisconsin, or Michigan. As for imports, only high prices will be likely to attack heavy shipments. Canada has no more potatoes than are usually consumed at home. It is reported one of the lightest crops for many years in the eastern Provinces which usually supply the exports, and there is some recent trouble from potato rot. Potatoes from most of the large shipping regions of Europe are barred out by disease quarantine. By way of substitutes, sweet potatoes are also a light crop, and the root crops are not larger than usual.

G. B. Fiske and Paul Froehlich
Division of Fruits and Vegetables, B. A. E.

THE SITUATION IN APPLE MARKETS

Apples started the season fairly high in price. They have held their strong position easily in the face of heavy supplies. Shipments of apples have exceeded the potato movement some weeks. Day's records of 1,000 to 1,600 carloads have been common.

Average year-round carlot supplies are only about 2,000 per week and evidently the greater part of the October shipment was held over. Cold storage space is filling rapidly. Over 4 per cent of the commercial crop had been stored as early as October 1, including 850,000 barrels and over a million boxes. It is too soon for close comparison of storage stocks with those of last season but the early active movement to storage probably has tended to steady the market and to maintain confidence. With the storage of the fall surplus, an even distribution and a long market season is assured.

The commercial crop is not much larger than last season. Demand in domestic and foreign trade is good. The general situation seems to resemble that of last season in many ways. Quality is generally good. There was some lack of size and color in early southern shipments, and some late injury from scab in the eastern crop. The northwestern crop included a considerable quantity of wormy, poorly colored, or frosted apples, which had to be sorted out, thus decreasing the percentage of the commercial packs.

Prices have ranged a little lower this year. Representative figures in the producing regions would be about \$1.75 a bushel for best grade northwestern boxed apples, compared with \$2 last year, and for standard eastern apples \$1.25 a bushel or \$4 a barrel, compared with \$1.50 and \$5 a year ago. Prices on several varieties and grades have advanced 5 to 15 per cent, mostly during October. The general run of first grades of leading eastern fall and winter kinds has been selling in the large city markets at \$3.75 to \$5 a barrel and \$1 to \$1.75 a bushel basket. Northwestern boxed apples of best grade average about \$3. The sharp upward trend of last season has not been repeated, but the tone seems rather confident as shown by the firmness of prices and the active movement into cold storage.

Apple exports have continued active. Indications point to another big year which would be the third in succession. Prices run at about last season's general level. Yorks and Baldwins were selling mostly between \$6 and \$7 a barrel in British markets toward the last of October and the best grade of northwestern boxed Jonathans at around \$3 a box. With a light crop in Europe and moderate competition, the prospect continues favorable for American apples in British and Continental markets.

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MOST VEGETABLES SELLING WELL

Onions appear to be in a fairly strong general market position. Somewhat lighter shipments than a year ago reflect the slightly decreased production in the late or main-crop States. Prices of yellow stock at country shipping points average about 50 cents per 100-pound sack above those of last fall, with city sales showing a difference at 70 cents. However, the situation has not been so strong as two years ago, when the average wholesale price of \$3 a sack was one result of the lighter market supplies. Recent range of \$2-\$2.15 at country shipping points in the East and North evidently seems too high to some cash buyers, and many sections report a greater part of the stocks still in growers' hands. Local reports, drifting in from time to time, indicate that Texas growers intend to plant at least the usual acreage of Bermuda onions and perhaps more than last year. These possibilities, together with the good crop in Spain and heavy imports of Spanish stock, make the spring market outlook a little precarious. Supplies of late domestic onions probably are adequate for normal requirements, and what the Bermuda crop in Texas and southern California will be depends greatly on future weather conditions. As a rule, prices of onions find their lowest level in October, when shipments are heaviest. Then, sometimes, when supplies are not excessive, the market strengthens gradually, until prospects for the new southern crop become more definite.

Cabbage markets during the winter depend largely on the quantity of the hard, long-keeping Danish type in northern storages and the available supply of new southern cabbage. Early southern-cabbage starts moving from Texas in November or December and from Florida in December or January. Production of Danish type in late States this year was around 20,000 cars of $12\frac{1}{2}$ tons each. This is about 10 per cent less than in 1924 and almost the same as the 1923 crop. Supplies of the common domestic type of cabbage also were lighter this season, with a large proportion suitable chiefly for kraut. This situation may tend to move storage stocks earlier and faster than usual and strengthen the market for this kind of cabbage, provided new stock from the South does not arrive too heavily. During the 1923-24 season, when conditions were in some respects similar to those of this year, late cabbage advanced about 100 per cent to a jobbing range of \$40-\$50 per ton in the spring. Bottom of the market usually is reached in November, and the recent declines were not unexpected. In late October, country dealers were getting \$11-\$14 per ton for Danish type and city wholesalers mostly \$15-\$25. This was practically the same as last autumn's jobbing range, but f.o.b. prices were slightly better than a year ago. Compared with October, 1923, price levels were not quite so high as then. Shipments from New York and Wisconsin have been much heavier than last fall, but most of the movement thus far has been of domestic type.

Sweet potatoes are a light crop again this year, - almost as light as in 1924. Drought and other field troubles are held responsible, particularly in the Southeast. Production of 74,000,000 bushels compares with the 5-year average of 96,000,000. In view of the shortage of Irish potatoes also, prospects seem rather bright for holders of sweet potatoes, when compared with the depressed markets of last year resulting in part from the bumper 1924 crop of Irish potatoes. At about \$5 per barrel, in city markets, Eastern Shore of Virginia yellow varieties averaged in October about \$2 above similar sales of

the past two seasons. However, a sharp rise occurred in early 1924, when old potato supplies were rather light but southern crops abundant. That spring, it will be remembered, storage stocks of sweets were very limited, and this probably was the important factor in the price situation.

Celery markets were advancing in late October, as a consequence of the relatively light storage holdings, especially in New York State. Shipments of early fall celery were very active, but those varieties are now out of the way. Until Florida's big crop starts moving in January, most of the eastern supplies come from New York, New Jersey and Michigan. California, of course, is an important source throughout the winter. Output of celery has increased to 18,500 cars per year and the 6,000,000 crates produced last season had an estimated farm value of \$16,000,000.

The grape crop in Michigan was very light. New York had a fairly good crop, though less than last year prices have tended upward. California has shipped more grapes than ever before. The total of 54,000 cars to October 17 was practically as many as California shipped all of last season, and another 10,000 cars were expected to move during late October and in November. Commercial grape output now ranks below only that of potatoes and apples.

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THE HOG SITUATION

With the close of the hog marketing year in October it is possible to determine more exactly the size of the Corn Belt pig crop of 1924 and its monthly and seasonal distribution to market; also to arrive at the value of the part of the crop that goes into commercial channels compared with preceding years.

It is now apparent that the pig surveys of 1924 under-indicated the Corn Belt crop of that year by about 6 per cent. Instead of a decrease in the supply for slaughter of 11,000,000 head below the 1923 production indicated by the surveys, the actual decrease was somewhat less than 7,000,000 head. Investigation discloses that a considerable part of this error was caused by too large a number of sows being reported in 1924 as farrowed in 1923. Many farmers reported pigs saved in 1923 instead of sows farrowed. This tended to exaggerate the decrease in production. So far as possible such error has been eliminated in the surveys of this year.

The crop of 1924 was moved to market early. Nearly 47.5 per cent of the total inspected slaughter for the crop year, November 1 to October 31 took place in the 4 months, November to February. Only in one other year on record, 1916-17, has this percentage been exceeded.

The hogs marketed from the 1924 crop, although considerably smaller in number than those from the crops of 1923 and 1922, brought producers more money. The total cost to packers of the 51,636,000 hogs slaughtered under Federal inspection, in the crop year 1922-23 was \$917,900,000; for the 52,875,000 in 1923-1924, it was \$917,300,000; while for the 44,850,000* head in 1924-25, it was about \$1,164,000*,~~000~~.

The June, 1925, pig survey indicated a spring pig crop in the Corn Belt over 10 per cent smaller than that of 1924. This is equivalent to a decrease of around 3,500,000 head. At the present time the relation between the prices of hogs and corn is very favorable to feeding. With the big corn crop and reduced hog numbers it is probable this favorable ratio will continue for some months. There is quite a significant positive correlation between a corn-hog ratio favorable to feeding, a big corn crop and low corn prices and a delayed marketing of the spring pig crop.

The spring crop moves during the seven months November to May. On the average about 62 per cent of the total for these 7 months is marketed during the 4 winter months November to February. When the movement is delayed this delay shows most strikingly in the decreased proportion marketed during the winter and the increased proportion after March 1. It sometimes also shows in an increase in the proportion of the winter marketings in January and February and a decrease in November and December.

In most other years when the movement has been thus delayed prices during the spring months did not make their usual seasonal advance and in some years declined to a level below that of the winter months.

Conditions last year were almost the reverse of this, and winter marketings were exceptionally large. The winter run of hogs this year will probably be smaller than was indicated by the June, 1925, survey while the run next spring probably will be larger than was indicated in the June survey. If more sows are kept for farrowing next spring than were kept for farrowing last spring, the winter marketings this year will be still further reduced.

C. L. Harlan,

Livestock Statistician, B. A. E.

*October, 1925, estimated.